

■Nomination and election method for independent directors

Yuanta follows the procedures as stipulated in Article 14-2 and Article 183 of the Securities and Exchange Act, the company’s Articles of Incorporation which states there must be between three to five independent directors and Article 5 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies, which states the process for nominating independent director candidates.

Furthermore, the company, in accordance with Article 172-1 and Article 192-1 of the Company Act, publicly announced on March 30, 2010 its shareholder meeting information, and the process by which independent director candidates will be nominated and elected. Any shareholder with more than one percent stake can nominate a candidate for independent director in writing. The period for submitting nominations was from April 6 to 16, 2010 and should include the person’s name, educational background, the candidate’s agreement to accept the position if elected, and a written statement and other related documents by each candidate assuring that he/she is not under any of the circumstances set forth in Article 30 of the Company Act. Submissions are to be mailed before 5:00 p.m. on April 16, to the company, at: 11<sup>th</sup> floor, No. 66, Dun Hua South Road, Section 1, Taipei City

■Nomination process and candidate information

On April 27, 2010 the following nominees were approved to be independent director candidates by the board of directors in its 43<sup>rd</sup> meeting of the 4<sup>th</sup> term: Dah-Hsian Seetoo, Chau-Lin Yang, Cheng-Ji Lin, and Ling-Long Shen. Within the specified time no candidate was nominated from any shareholder with more than one percent stake. Below is the information regarding the independent director candidates’ education, background and shares held in the company:

Name	Education	Experience	Shareholding	Notes
Seetoo, Dah-Hsian (William)	1) Ph.D., Northwestern University (1976) 2) M.B.A., University of Illinois (1973) 3) Business management degree, National Chengchi University (1970)	A) Currently: 1.Chairman of Commerce Development Research Institute 2.Professor at National Chengchi University (NCCU), Graduate School of Business Administration 3.Independent Director and Audit Committee Chair at Yuanta Financial Holdings 4. Independent Director at Yuanta Commercial Bank 5.Chairman of the Strategic Management Committee of the Chinese Management Association B) Previously: 1.Vice Chairman at NCCU’s Center for Public and Business Administration 2.Vice Chairman at NCCU’s Center for Public Service Administration 3.Department Head of NCCU’s Dept. of Business Administration 4.Head of NCCU’s Graduate School of Business Administration 5.Vice President of NCCU 6.Independent Director of Yuanta Core Pacific Securities 7.Director of Taiwan Stock Exchange Corp. C) Academic and Research Interests: Strategic management, organizational theory and management, analysis and strategic decision-making	0 shares	
Yang, Chau-Lin	National Cheng Kung University (1960)	A) Currently: 1.Chief Operations Officer at Formosa Plastics Group 2.Director of Formosa Plastics Corporation 3.Managing Director of Formosa Chemicals and Fibre Corp. 4.Director of Formosa Petrochemical Industrial Corp.	0 shares	

		<p>5. Director of Chang Kung Memorial Hospital  6. Director of Chang Kung University  7. Independent Director of Yuanta Financial Holdings and Yuanta Bank  B) Previously:  1. First Bank clerk  2. Finance Department manager for Formosa Plastics Group  C) Professional Expertise:  Financial management planning, cost and operational analysis</p>		
Lin, Cheng-Ji	National Taiwan University	<p>A) Currently:  1. Independent Director of Yuanta Financial Holdings  2. Independent Director and Audit Committee Chair at Yuanta Securities  B) Previously:  1. Managing Under-Secretary at the Ministry of Finance  2. District Head at the Taiwan Disbursement Office  3. Head of the Taiwan Labor Insurance Bureau  4. Head of Taiwan North District at the Taiwan Tax Bureau  5. Head of Taipei Tax Bureau  6. Director of the Taxation Agency, Ministry of Finance  C) Professional Expertise:  Financial Administration, Taxation Administration, Social Insurance</p>	0 shares	
Shen, Ling-Long	Ph.D. in economics at the Universite Paris 1 Pantheon Sorbonne	<p>A) Currently:  1. Chairman of the Taiwan Residential Earthquake Insurance Fund  2. Director of the GreTai Securities Market  3. Committee member of financial policy and regulation committee of the Taiwan Financial Services Roundtable  B) Previously:  Government Departments  1. Director and Vice Director of the Insurance Division at the Ministry of Finance (MOF)  2. Section Chief of Finance Bureau at the MOF  3. Finance Committee member at the MOF  4. Chief of the Monetary Division at the MOF  Commercial Enterprises  1. Chairman of Mega Property Insurance Co.  2. Chairman of Mega Asset Management Co.  3. Director of Mega Financial Holdings  4. Managing Director of Chiao Tung Bank  5. Director of Taipei Bank  6. Director of Farmers Bank of China  7. Director of Chung Hsing Bills Co.  C) Professional Expertise</p>	0 shares	

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■Independent Director Election Results:

Independent directors elected are as follows:

Account or Personal ID Number	Account Name	Voted Shares	Notes
B10144XXXX	Cheng-Ji Lin	4,294,664,401	
Q10032XXXX	Chau-Lin Yang	4,179,164,395	
X100000XXX	Ling-Long Shen	4,179,164,395	
A10086XXXX	Dah-Hsian Seetoo	4,175,825,899	